

State Capitol
Lansing, Michigan 48913
517/373-7888
1-888-937-4453
517/373-2983 (fax)
sengjacobs@senate.michigan.gov

GILDA Z. JACOBS

MICHIGAN SENATE Assistant Democratic Floor Leader Fourteenth District Committees
Economic Development, Small
Business and Regulatory Reform VC
Families and Human Services VC
Government Operations
Health Policy

The Jacobs Report

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CONTACT: Matt Levin (517) 373-7888

CONSUMER APPLIANCE BILL PASSES SENATE

Sans debate or much fanfare, the Senate passed SB 612 (Toy) by 33-4 margin Thursday, an important step in allowing Consumers Energy to continue its popular furnace and appliance repair program under new guidelines set by the Michigan Public Service Commission (MPSC).

Any potential for heated debate evaporated when Democrats broke from a short caucus with unified support for the bill. The four no votes were all cast by Republicans: Senate Majority Leader Ken SIKKEMA (R-Wyoming), Sens. Bruce PATTERSON (R-Canton), Jud GILBERT (R-Algonac) and Wayne KUIPERS (R-Holland).

Several Republicans who voted unsuccessfully on a Wednesday amendment to add more restrictions to the Consumers' program peeled off Thursday on the final vote and joined the entire Democratic caucus. SB 612 has the support of the Michigan Chamber of Commerce and union groups.

For several years, Consumers' Energy has offered an Appliance Service Plan (ASP), a heating/cooling repair service staffed by workers not busy fixing downed power lines or laying cable. When the electrical industry was restructured in 2000, the new law said Consumers needed to spin ASP off into its own separate business structure. If SB 612 isn't signed by the governor by Dec. 31, Consumers will be required to do just that.

Under SB 612, MPSC would make sure that Consumers Energy doesn't subsidize their ASP with ratepayer money and that the natural gas company doesn't actively promote the plan by sticking fliers in their monthly bills.

The bill does let Consumers use ASP profits to lower its customers' energy bills.

The Small Business Association of Michigan (SBAM) and other small business groups don't like the "unfair" competition of having a large utility offer the service that appliance repair technicians provide.

SBAM and the National Federation of Independent Businesses argued that since 2000, Consumers started pushing ASP as an option for homeowners, particularly senior citizens, and grew it out to the point where it was serving 175,000 customers and bringing in a 41 percent profit.

As Dec. 31, 2003 approached, Consumers informed its customers that it would pull the plug on the program unless the Legislature approved SB 612. This rattled predominately senior citizens. They liked the idea of calling a familiar name if their furnace broke down in the middle of the winter and they started calling their senators en masse.

From a philosophical standpoint, several pro-business Republicans didn't like the fact that a big utility could be squeezing a few small businesses out of the market. But from a political standpoint, they also didn't want to be blamed by their constituencies for killing a very popular program.

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The Democrats were inclined to keep the ASP going to benefit consumers and save jobs that may otherwise be cut if the utility downsized or eliminated the program.

SB 612 now heads to the House Energy and Technology Committee, which will be less inclined than the Senate to maintain the no-amendment version that sponsor Sen. Laura Toy (R-Livonia) wants to keep with her bill. NFIB and SBAM have a better shot at adding a "clear accounting separation" provision to the bill in the committee chaired by Rep. Ken Bradstreet (R-Gaylord).

HOUSE COMMITTEE APPROVES CONTROVERSIAL DOVE HUNT

Mourning Dove hunting would be legal in Michigan under a bill unanimously approved Wednesday by the House Committee on Conservation and Outdoor Recreation.

Thousands of hunters and bird enthusiasts in the past have inundated lawmakers with views for and against on the legislation, and activists on both sides of the issue packed a House committee room to discuss whether the nearly century-old ban should be repealed.

With the vote on HB 5029-only Rep. Frank Accavitti (D-Eastpointe) abstained-the issue now goes before the full House for consideration.

"It is a wonderful outdoor activity," said Rep. Susan Tabor (R-Delta Township), the committee chair, bill sponsor and avid hunter. "This is something that's time has come."

In 1987, a court stopped the Michigan Natural Resources Commission from establishing a dove hunting season without the Legislature's approval.

Supporters say the migratory birds are fun to hunt because their fast, erratic flight patterns make them a challenge to shoot.

Opponents, which include the Humane Society of America, say there is no reason to shoot doves because they can be confused with some protected birds and yield only an ounce or less of meat.

Ms. Tabor disagreed, likening the bird to potato chips. "They are delicious. You can't eat just one."

But Eileen Liska, the Michigan Humane Society's lobbyist, pointed to public opinion polls that in the past have shown strong opposition to a dove hunting season, said there would be a cruelly high wounding rate and cited data in some states with a hunting season showing a decline in the dove population.

"We just feel it's important to look at this from a bigger perspective and the majority viewpoint rather than special interests," she said, referring to the gun lobby.

Liz Boyd, press secretary for Governor Granholm, said the administration has not yet taken a position on the bill.

Ms. Tabor said she has had no discussion with the Executive Office so far on the bill. "Once we get it through the Senate, then I'll worry about whether the governor will sign it or not," she said.

State Senator Gilda Jacobs represents the 14th Senate District, which includes Beverly Hills, Bingham Farms, Farmington, Farmington Hills, Ferndale, Franklin, Hazel Park, Huntington Woods, Lathrup Village, Oak Park, Pleasant Ridge, Royal Oak Township, Southfield, and Southfield Township. She is the Minority Vice Chair of the Families & Human Services Committee and the Economic Development, Small Business & Regulatory Reform Committee. She also serves on the Government Operations and Health Policy Committees.

Constituents of the 14th District may contact Senator Jacobs at senate.michigan.gov or toll-free at 1-888-937-4453.

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